

LOUISIANA LOTTERY, BOARD OF DIRECTORS MEETING
June 24, 2011

Chairman Verge Ausberry called the meeting to order at 10:00 a.m. in the Board Conference Room located at the Louisiana Lottery Corporation Headquarters, 555 Laurel Street, Baton Rouge, Louisiana. All stood to recite the Pledge of Allegiance.

I. Attendance

- A. **Members Present:** Chairman Verge Ausberry, Vice Chairman John Fitzpatrick, and Secretary Kim Carver, Directors: Lisa Reardon, Heather Doss, Roy Robichaux, J.T. Taylor and First Assistant Treasurer Ron Henson
- B. **Members Absent:** none
- C. **Staff:** President Rose Hudson, Senior Vice President and Secretary/Treasurer Karen Fournet, and Senior Vice President and General Counsel John Carruth.

II. Approval of the Minutes of Prior Board Meetings

Chairman Ausberry proposed the approval of the April 15, 2011 Board meeting minutes. There being no objection, the minutes were approved. Chairman Verge Ausberry congratulated Heather Doss, Lisa Reardon and J.T. Taylor on their confirmations of their appointment to the Louisiana Lottery Board of Directors and noted his own re-confirmation. The meeting was then turned over to President Rose Hudson for the President's report.

III. President's Report

Ms. Hudson also congratulated the aforementioned Board members for completing their confirmations. She stated that R.K. Mehrotra and Terry Bouchereau withdrew from continuing the confirmation process and asked her to relay their thanks to the Board for the opportunity.

Ms. Hudson reported that the Louisiana Lottery budget was approved by the Joint Legislative Committee on the Budget and stated the 2011 Legislative Session ended Thursday, June 23rd. She mentioned Senate Bill 74 "Ticket for the Cure" by Senator Dorsey (which was the only Bill being monitored that was most applicable to the Lottery) was deferred at the May 10 hearing and had not been rescheduled for a hearing.

Ms. Hudson congratulated the Marketing department for receiving four *Communicator Awards*, one of which was the highest honor, the *Communicator Award of Excellence*, for the Lottery's "Extreme 13" television commercial. *Communicator Awards* are awarded internationally and are not lottery-industry specific.

Ms. Hudson drew attention to the "swag" in front of each Board member to preview the impending July 11 launch of the \$2 *Choot 'Em* scratch off tickets, featuring *Swamp People* stars and Louisiana natives, Troy and Jacob Landry. She emphasized the enthusiasm about the ticket by fans and retailers along with the interest generated by Troy and Jacob's appearance at the Lottery trailer at Bayou Country Superfest, an upcoming Bass Pro Event and the NOTV spot to run in New Orleans hotels, featuring Troy and Rose marketing the ticket. Ms. Hudson opted not to pursue an idea for the Landry's to appear at the Essence Festival in July as it would have *cost*

the Lottery to provide an early sale of the ticket. Albeit, there will be a different series of Lottery tickets sold at the Essence Festival.

Ms. Hudson referenced the letter to the Board, dated June 17, 2011, regarding the special procurement of additional ticket dispensers from the current vendor to ensure continuity in retail locations. She invited questions from the Board; there were none and the meeting resumed.

Ms. Hudson thanked the Board for their support in allowing the Lottery to move the savings from the Intralot contract to increase the instant ticket prize-payouts. This has been a real benefit to the Lottery amidst a chaotic year economically and with cross-selling of instant tickets. Moving into 2012, there will be more focus on better product placement.

With the 20th anniversary celebration, Ms. Hudson informed the Board that 20-year employees are being highlighted on Gumbo (the Lottery intranet) and wished Senior Vice President of Finance, Karen Fournet, happy 20th anniversary. Ms. Hudson then turned the meeting over to Ms. Fournet to present the financial report via PowerPoint (hard copy attached).

IV. Board Committee Reports

Personnel Committee-Chairman, Kim Carver stated his Personnel report will be presented in the Executive Session to Discuss the Performance Evaluation of the President

Finance Committee-No report at this time

By-Laws Committee-No report at this time

Retirement Plans Investment Committee-(See other business)

V. Executive Session

Chairman Ausberry invited a motion to go into Executive Session for the review of the annual performance evaluation of President Hudson. Vice-Chairman Fitzpatrick **moved**; Director Robichaux **seconded**. There being no objection, the Board of Directors meeting entered into Executive Session at 10:31 a.m.

At 10:52 a.m., Chairman Ausberry resumed the regular session of the Board of Directors meeting.

VI. Other Business

Vice President of Finance, James Goodrum presented the Board with Resolution Number 11-06-24-1, relative to the recommendation of a 2% contribution to the employee **Supplemental Retirement Plan** provided by the surplus funds resulting in being under budget for the Fiscal year 2010-2011. Chairman Ausberry invited a motion to approve. Director Taylor **moved**; Director Carver **seconded**. There being no objection, the **motion carried**. Chairman Ausberry expressed his and the Board's gratitude for the hard work of President Hudson and that of the Lottery staff. Secretary Carver concurred.

VII. Adjournment

The next Board of Directors meeting was set for 10:00 a.m. August 26, 2011, to be held in the Board of Directors conference room of the Louisiana Lottery Corporation Headquarters located at 555 Laurel Street, Baton Rouge, Louisiana. There being no further business, Chairman Ausberry invited a motion to adjourn the meeting. Vice Chairman Fitzpatrick moved; Director Reardon seconded. There being no objection, the motion carried and Chairman Ausberry adjourned the meeting 11:08 a.m.

Date Approved: August 26, 2011.

By - Stephanie Fontas

Mary Quigley
Executive Assistant to the Board of Directors

Kim Carver

Kim Carver
Secretary to the Board of Directors

Verge Ausberry

FOR

Verge Ausberry
Chairman of the Board of Directors

Attachment(s): (1) Hard Copy Financial PowerPoint Presentation
(2) 11-06-24-1 (Relative to the Supplemental Retirement Plan)